

RFP 2003-40

Pre-Proposal Conference

QUESTIONS AND ANSWERS

QUESTION: I don't see how you can realize more savings outside of the standard configuration that you define than you can achieve with the existing contract that was awarded in March, 2001. Maybe you can share with us your thoughts behind that. It seems you should issue advice to all the agencies of the Commonwealth that these are the standard configurations no matter what contract vehicle you use, that they have to go by these configurations.

ANSWER: There may not be any savings. We really won't know the answer to that question until we see the actual proposals submitted by the vendor community. There are more goals than just saving money in doing this particular solicitation. However, that is a major component. Having said that, the number of awards is yet undecided. If, in reviewing the proposal there is no obvious cost savings to the Commonwealth nor are there any other savings or benefits to be gained from awarding these contracts, the Commonwealth may elect not to award. However, we do anticipate that there will be additional savings and that there will be some benefits in terms of consolidation, fewer contracts and in standardizing some configurations.

One of the additional key things that I want to mention about this RFP is that we are receiving extremely high coverage from the highest levels of the government, and that means Governor Warner himself, so with respect to standardizing configurations, we really do expect to see a very high level of compliance to those standards of configuration that we have defined here. That will really help align the interests of these suppliers and the Commonwealth, because as you know, in the past the adherence to any standard configurations may not have been as rigorous.

QUESTION: I was very glad to hear Ms. Carter say that one of the goals of the procurement was to encourage small, women-and minority-owned business to do more business with the Commonwealth. But, if you look at the solicitation and analyze it in detail, I don't see any teeth in it at all. There is no definitive goal; there is no clearly defined objective for these small businesses at all. It seems like it is a token effort on the part of the Commonwealth. It's not something substantial that you folks should be involved in to implement as a vision of the Governor when he first took office. Do you have any comments on that? You don't have a definitive goal. You say, okay you have to do so much business with small minority business in the Commonwealth; otherwise, you will not be receiving the maximum score for your proposal.

ANSWER: There is no minimum, but it is part of the evaluation criteria and points will be won or lost based on participation with small women-owned and minority businesses.

QUESTION: If a vendor who intends to respond is a prime contractor and the vendor happens to be a SWAM vendor located in the state of Virginia, would that vendor be given the highest score in that category? Secondly, do we have to fill out that Appendix at all if we are a small business?

ANSWER: Yes, you do have to fill out the form.

QUESTION: Just the top part of the form, and skip the rest?

ANSWER: The evaluation criteria and the points awarded are based on the planned use of minorities and small business in your proposal, as well as the past history. The process does not reward a company for being a minority small or women-owned business. It rewards a company for doing business with those categories of businesses.

QUESTION: Can I simply fill out that form, as I do business 100% with a small business, and I name our company as a small business? If the vendor is a SWAM, and may be in Virginia, can we be given a 100% score in the category, for the reason I've mentioned, because we can name ourselves as a subcontractor who received 100% of the work.

ANSWER: You should fill out the forms as indicated in the instructions.

QUESTION: In Section One, under page 10, Negotiation, you state that the Commonwealth will be negotiating the contract. Our experience with other consultant-driven RFPs is that the consultants have negotiated the contracts, so will the vendors be negotiating with the Commonwealth employees or with the consultants?

ANSWER: We have not explicitly defined the teams, but certainly it will not be the consultants of Silver Oak alone. Silver Oak's role is really in facilitating the process. We stated this morning that the evaluation committee for the software RFP had seven people and a Silver Oak consultant was one of them, and it's the same situation here. The number of people on the evaluation committee may be smaller, but there is still only one Silver Oak participant in that evaluation committee. Silver Oak's role is really in facilitating the process, not necessarily doing the negotiations or making evaluations on our own.

QUESTION: So then the lead negotiating team would be from the state?

ANSWER: It would probably be folks from the state, along with and in cooperation and participation with people from Silver Oak.

QUESTION: Again, our company has had experience with other consultant-driven RFPs in other states, and in some other states, the requirements did not align with the state's laws. We just want to be sure that Silver Oak is cognizant of the Commonwealth's procurement statutes or that the RFP has been approved by the Attorney General's office.

ANSWER: Every effort possible has been made to make sure that it is in compliance with all the applicable state laws and procedures. The terms and conditions are Virginia terms and conditions; they are not from anywhere else.

QUESTION: I understand. And then on that same note, I just want to be sure that DGS has read and approved the eVA portion so that it is all in alignment with how things are done today.

ANSWER: DGS is fully on board the statements the RFP made concerning eVA.

QUESTION: In reviewing the notebook configurations, I have to assume that it is your goal to produce the most current configurations that you could at the time. The Pentium M is not mentioned.

ANSWER: We are definitely aware of that. These configurations will be constantly upgraded to reflect the latest technology as we move forward.

QUESTION: There is one thing that stands out when reviewing the specifications. That is storage, mass and SAN, simply because this contract's goal is to provide an efficient way for agencies to be able to improve their infrastructure, and currently, unless it's added here, there isn't a way for an agency to add a terrabyte of storage to an existing environment. So it would certainly be counterproductive to have to put out an RFP every time someone wanted to add a little bit of storage to an existing environment. I think storage should be added. If you're going to have servers, you need to have some way to be able to add incremental storage.

ANSWER: Although servers are being included in this RFP, we are targeting lower-end servers. We do realize there are much more powerful units and that there are options and peripherals that this RFP does not address

QUESTION: The agencies and institutions of the Commonwealth have been very hampered with the current contracts. When you look at the Strategic Plan the Secretary of Technology put together, he enumerated the number of servers and the excess storage and so on. With the contracts in place today, users have continued to buy more and more servers. Storage is very much a key. If this RFP is not looking at this factor then we are not moving forward with technology for the Commonwealth.

ANSWER: This particular procurement is not intended to be a vehicle in which VITA acquires large servers or storage but rather it is primarily a vehicle for those servers that are going to be placed in agencies. For higher education, local school systems and other public bodies the storage situation may indeed be a very valid point. There are a lot of different nuances to the whole issue, be it network or storage, and those issues have been around for several years. We don't have a solution to that particular problem today. This vehicle may lend itself to solving that problem and it may not.

QUESTION: I've seen heavy emphases on Tablet PCs, iPAC's and handhelds and have not see any mention of them in the RFP. I don't know if you were planning to add any to this, and if not, why you choose not to?

ANSWER: This is something that is emerging that is not yet mainstream. We have focused on desk tops and lap tops and PC servers.

QUESTION: How do you handle emerging technologies?

ANSWER: One of the key things we are thinking is that these configurations will constantly be upgraded. We don't look at this as just the configurations that are mentioned in the RFP, but we do mean to use this RFP as a means of establishing a long term partnership with whatever vendor or vendors that we sign contracts with. We do intend to look carefully to find what the emerging needs are and if and when these become mainstream. At that time we will to adjust the standard configuration accordingly.

Q: I suppose your selection criteria would take that into consideration. There are companies in this room today whose strength may lie in tablet arena or a nonstandard configuration and you might rule them out because they are not mainstream as far as desktop services. How are you going to take that into consideration during your decision making process?

ANSWER: There is an avenue in the RFP for all spec pricing. One of the other things is that this particular procurement will not establish the only contract vehicle that there ever will be for IT products. As emerging technologies take place we may find that we may have to establish additional contracts or modify existing contracts to take those into consideration. Right now, one of the goals of this is to leverage our buying power. If we are not buying any tablet PCs or some other technologies currently, then we have nothing to leverage. Although we are not buying any to date, it might benefit us to have some contracts in that regard to take advantage of those particular technologies. So their absence from this particular RFP is not an indication that the Commonwealth is not interested in those particular technologies. It's just that we have no experience with them, no buying pattern of them, and some of those technologies have multiple standards of which we have not seen what the shakeout really is in that arena.

QUESTION: One thing I did notice that is not under Emergency Technology is printing.

ANSWER: This particular procurement does not address peripheral products.

Q: Many times throughout the RFP you state \$63 million in spend, but then you state in the next comment that is not a guarantee. Can you clarify if you want quantity one pricing or volume pricing? Do you want volume pricing as if the vendor was going to get all \$63 million? Or both pricings? Do you want two proposals from the vendor?

ANSWER: - We do not want two different proposals.

QUESTION: Given \$63 million and a price based on that, will the Commonwealth negotiate after the award, after we have doing business for awhile, to see if the Commonwealth is or isn't achieving the goal towards the \$63 million, and renegotiate the pricing?

ANSWER: \$63 million is historical information. There is no guarantee of any business resulting from a contract due to the fact that these contracts will not be mandatory. The number is provided so that the vendor community can judge the size of the market.

Q: Using the pricing forms is a rather cumbersome process. If we have to go through this process again, can we do this process on an online tool via eVa or some such tool as opposed to doing it through an Excel spreadsheet?

ANSWER: This particular set of spreadsheets were designed to allow us to collect data for evaluation purposes to evaluate a vendor's proposal to the Commonwealth. When we get into negotiations, it will be up to the parties negotiating to determine how they are to go about finalizing the contract and negotiations of final pricing and terms and conditions.

QUESTION: The Commonwealth mentions clearly within this RFP that they are looking for the best price, quality and service, and they are telling us to sharpen our pencils, but are asking for the vendors to deliver products in a nonstandard form. With the acceptance test, which is 30 days, and acceptance in general, this is as much as 60 days. That is a cost that we as vendors need to carry within our books and cannot realize revenue. In order for the Commonwealth to get the best price and the best value for its money, would they remove those terms and allow for the products to be delivered in more of a commercially acceptable environment?

ANSWER: This goes back to Appendix H, which is the Service, Quality and Assurance appendix, where you have the opportunity to indicate any exceptions your firm might take.

QUESTION: If a vendor submits multiple proposals, would one be considered the primary one and the others be alternates, or are they all viewed on an even keel?

ANSWER: You can certainly have multiple proposals and they would all be considered equally. If you want to have a proposal that addresses the requirements in one respect and another proposal with a different pricing that addresses another respect, that is your prerogative. Or you can use Appendix H to address the issue. It's a little different than RFPs we have done in the past. We are open to what you want to propose.

You'll have to make the decision whether you want to submit multiple proposals or just put together the best proposal that your company thinks will be successful. You need to determine for yourself where to put your time and effort. But those points which you bring up are negotiable. We do give you the opportunity to list those things that you take exception to and part of the evaluation will be can we live with those kind of exceptions.

QUESTION: What do you plan on doing with the contracts that you awarded March 2001? Would you then let them run concurrently or would you terminate those contracts and keep these?

ANSWER: The intent is that those contracts would be terminated at some point in time after the award of the new contract. If they were near expiration, they probably would be left to run to their expiration date. If there were significant time remaining on the contracts, they probably would be terminated. Part of the rationale in trying to consolidate contracts and leverage buying power is to reduce the number of contracts that we have, and it would perhaps be counterproductive to allow those contracts to continue.

QUESTION: The next question concerns Section 58 on page 62 under paragraph A. It states that the Commonwealth will have unlimited use of the software products on the machines for which it is acquired and on any replacement equipment. I believe that this is the same issue that we faced in 2001. Have you been able to obtain a waiver from Microsoft?

ANSWER: This will be addressed in an amendment.

QUESTION: There is no entry space in the desktop, notebook and server pricing table for vendor to enter the twelve-month price after the initial warranty. It does allow vendor to go to the fourth year and to the fifth year, but it doesn't give an entry for the twelve-month period. This is something you folks might want to look at.

ANSWER: Please note any objections in Appendix H.

QUESTION: Under the notebook category, you ask for both a price for a port replicator and a price for a docking station. If a manufacturer does not offer a docking station for that particular line of product, a notebook that otherwise complies with all other requirements, would we then be allowed to enter “not available” in that and not get disqualified ?

ANSWER: It is fine just to say it is not available.

QUESTION: On page 8 and then again on page 15 there is a reference to reverse auctioning. I need for you to provide some clarification on how you intend to utilize reverse auctioning.

ANSWER: There is no intention to do reverse auctions.

QUESTION: On page 29, you reference the specs to the desktop systems as “consistent enterprise class machines with stable platforms.” Can you speak a bit as to what kind of criteria you will use to determine that?

ANSWER: We are primarily referring to machines that you typically deploy in an enterprise environment. Major PC manufacturer’s have a home product line and a commercial product line. We are only interested in the commercial offerings.

QUESTION: Is it the intent of the Commonwealth to use something similar to a Gartner Group rating to determine what systems meet that rating.

ANSWER: We are encouraging vendors to propose commercial as opposed to home machines, but we’re not limiting what you propose to us. However, when we go to evaluate it, we would rather give more points to machines that were targeted toward commercial accounts rather than machines for use primarily for the home market.

QUESTION: In reference to warranty service, page 58, it states that it is your intent, is to either have on-site service or, in the case of some educational institutions, a self-maintainer program. Am I correct in seeing that those are the two types of warranty service that the Commonwealth will accept?

ANSWER: We would certainly like to have both of those; however, you are free to propose any warranty provisions that are applicable for that particular product line.

QUESTION: One of those options would be an end-user or technician self-repair on-site?

ANSWER: It would not disqualify your proposal to make such a proposal. The type of warranty you are providing would certainly be an evaluation criteria, and the more desirable and closer you get to the service levels that we are expecting, the more favorably the evaluation of your proposal may be in that particular area

QUESTION: On previous contracts, the IFA was used to fund what is a non-budgetary agency of DIT. It seems like this contract has, with the addition of higher education, doubled your potential customer base.

ANSWER: Higher education has always been a part of the previous contracts. The IFA is used to fund non-general funded portions of DIT, which basically are the procurement operation. DIT is a self-sufficient agency. The revenue from the IFA certainly is looked at periodically, and that number which is currently 2% may change based on the amount of revenue that is generated. That is not a profit-oriented fee. It is a break-even fee, so that is something that could change

QUESTION: On page 19 under Employee Purchase, historically the legislature has frowned upon state negotiating for personal purchases as anti-business. May I assume that that tide has changed?

ANSWER: Although the Commonwealth probably cannot contract directly for such a program, we would be interested in what the vendor has to offer, and if it were permissible that the Commonwealth could take advantage of it, we might be interested in doing so.

QUESTION: As a follow-up to that, may I ask what measures are going to be put in place by the Commonwealth to ensure that those people who take advantage of that are in fact employees of the state or members of that state community?

ANSWER: That's premature, because we haven't decided if we're going to do that.

QUESTION: May I also assume in that section that individual persons would not be required to go through eVa and would be exempt from the industrial funding as well as the 1% eVa fee?

ANSWER: We cannot answer that question at this time

QUESTION: A question regarding the pricing: You have three separate configurations. Is it your intent to maintain the same discount level within each one of those configurations 1, 2 and 3?

ANSWER: We do want to maintain the discount level as we move on. Let's say you have a configuration that becomes obsolete and you replace with something else. We would want to maintain a similar discount. Obviously the individual discount level for each of the configurations can be different because we do realize product margins, etc. are different.

QUESTION: So you could have configuration 1 at 1%, configuration 2 at 2% and configuration 3 at 3%?

ANSWER: Yes.

QUESTION: Because products rotate very quickly, how does an end-user differentiate between configuration 2 and 3? These products are so closely aligned, as time goes on, how would you keep track of that?

ANSWER: That is something that the Commonwealth will work closely with the Contractor or Contractors to address.

QUESTION– Did I understand you to say that this contract will be a non-mandatory?

ANSWER- Yes.

QUESTION: Could I ask for some discussion about the potential to have this mandatory?

ANSWER: The contract could not be made mandatory for local government.

QUESTION: Can I ask could that clarification “mandatory vs. non-mandatory” be made prior to award due date on the 28th.

ANSWER: We will address the issue